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C A L I F O R N I A

Labor & Workforce Development Agency

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Labor Secretary Victoria Bradshaw Calls Summit Key To Preparing For \$100 Billion In Health Care Construction

Los Angeles – September 22, 2008– State workforce development officials, hospital leaders, building contractors and construction trades leaders convened today for a summit designed to help California prepare for an expected boom in health care construction.

The health care industry projects that \$100 billion will be invested in construction over the next 10 years, with 5,500 projects valued at \$28 billion projected in the greater Los Angeles area.

“This is an exciting opportunity to stimulate California’s economy and create jobs during a difficult economic period,” said Labor and Workforce Development Agency (LWDA) Secretary Victoria Bradshaw. “It is vital, however, that we address workforce needs, discuss regulatory concerns and break down barriers that could stand in the way of expanding California’s health care infrastructure.”

More than 300 people participated in the summit, organized by a public-private partnership representing hospitals, LWDA, the Office of Statewide Health Planning and Development (OSHPD), the construction industry and labor representatives.

The public-private partnership tackling this challenge is working to increase the number of specialty construction workers, general contractors and sub-contractors who work on construction projects regulated by OSHPD. The partnership is also committed to help the health care construction industry reduce costs and complete projects on time, helping to keep down the overall cost of health care in California.

“California’s hospitals are a vital part of every community, providing critical health care services to the state’s 38 million people. During the past decade, more than 70 hospitals have closed. During this next decade, the partnership between hospitals and the building industry is crucial to constructing the hospital infrastructure that is needed to provide high quality care to all Californians,” said C. Duane Dauner, president of the California Hospital Association.

“This mission requires a highly skilled workforce. In the building trades, we have over 50,000 young workers training in our apprenticeships at any one time.

California construction unions invest in excess of \$100 million a year to ensure that the next generation workers have the skills to build the highest quality projects. This summit will help develop partnerships that will lead to job creation and the completion of this endeavor by the best trained workforce in the world," said Bob Balgenorth, president of the State Building and Construction Trades Council of California.

The public-private partnership is an outgrowth of a jobs-creation roundtable meeting convened in January by Governor Schwarzenegger. The partnership will continue to work on ways to speed the delivery of health care infrastructure, and a Southern California summit is planned for later this year. For more information, go to www.hccsummit2.org.